



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes
a) April 16, 2008 (Regular Meeting)
b) May 7, 2008 (Regular Meeting)
c) May 20, 2008 (Shirtsleeve Session)
d) May 27, 2008 (Shirtsleeve Session)
e) May 28, 2008 (Special Joint Meeting w/Redevelopment Agency)

MEETING DATE: June 4, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) April 16, 2008 (Regular Meeting)
b) May 7, 2008 (Regular Meeting)
c) May 20, 2008 (Shirtsleeve Session)
d) May 27, 2008 (Shirtsleeve Session)
e) May 28, 2008 (Special Joint Meeting w/Redevelopment Agency)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibits A through E.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP
Attachments

APPROVED: _____
Blair King, City Manager

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 16, 2008**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of April 16, 2008, was called to order by Mayor Mounce at 5:30 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Actual Litigation: Government Code §54956.9(a); One Case; Voytek v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV033857
- b) Actual Litigation: Government Code §54956.9(a); One Case; Sciarini v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV034596
- c) Actual Litigation: Government Code §54956.9; Three Actions; John Walker v. City of Lodi; WCAB Case Numbers STK156990 – 4/11/00, STK0156991 – 1/31/00, and STK171305 – 4/11/00
- d) Conference with Dean Gualco, Human Resources Manager, and Jim Krueger, Deputy City Manager (Labor Negotiators), Regarding Lodi Professional Firefighters, Police Mid-Managers, and Association of Lodi City Employees Regarding General Services and Maintenance & Operators Pursuant to Government Code §54957.6

C-3 ADJOURN TO CLOSED SESSION

At 5:30 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:45 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:01 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Items C-2 (a), C-2 (b), C-2 (c), and C-2 (d) were general discussion and direction only.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of April 16, 2008, was called to order by Mayor Mounce at 7:01 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. INVOCATION

The invocation was given by Reverend Dr. Alan Kimber, First United Methodist Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Mounce.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Suga Moriwaki, President of the Library Board of Trustees, presented the Library Volunteer of the Year Award to Gordon Harris.

- D-2 (a) Mayor Mounce presented a proclamation to Jennifer Busalacchi with the Women's Center of San Joaquin County proclaiming the month of April 2008 as "Sexual Assault Awareness Month" in the City of Lodi.
 - D-3 (a) Mayor Mounce presented a Certificate of Recognition to Mike Pretz, representing the Lodi-Tokay Rotary Club, for sponsoring the Lodi International Wine Awards.
 - D-3 (b) Barbara Williams, Senior Regent with the Women of Moose Lodge Chapter #448, made a presentation to Police Chief Main and Fire Chief Pretz regarding its stuffed "Moose" dolls for children.
 - D-3 (c) Fire Chief Pretz presented the Lodi Fire Department staff Centennial photo to the City Council.
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E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Johnson, Hitchcock second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- E-1 Claims were approved in the amount of \$7,903,207.65.
- E-2 The minutes of March 18, 2008 (Shirtsleeve Session), March 25, 2008 (Shirtsleeve Session), April 1, 2008 (Shirtsleeve Session), and April 2, 2008 (Regular Meeting) were approved as written.
- E-3 "Adopt Resolution Authorizing the Emergency Replacement of Damaged City Hall and Carnegie Forum Air Conditioner Chiller Barrel and Authorizing the City Manager to Execute Purchase Order to Indoor Environmental Services (\$57,325)" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.
- E-4 Adopted Resolution No. 2008-62 awarding the contract for Maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2008-09 to Odyssey Landscaping Company, Inc., in the amount of \$26,780.
- E-5 Accepted the improvements under "Lane Line Painting, Various City Streets, 2007" contract.
- E-6 Adopted Resolution No. 2008-63 approving the Addendum to Improvement Agreement for Public Improvements at 856 North Sacramento Street to provide one-year time extension and authorizing the City Manager to execute the agreement on behalf of the City.
- E-7 Adopted Resolution No. 2008-64 extending the White Slough Water Pollution Control Facility (WSWPCF) agricultural leases for the period of January 1, 2009 through December 31, 2013, for agricultural land at WSWPCF and authorizing the City Manager to execute the lease agreements on behalf of the City.
- E-8 Received the quarterly report of purchases between \$5,000 and \$20,000.
- E-9 Appointed Public Works Director as Alternate to Northeastern San Joaquin County Groundwater Banking Authority.
- E-10 "Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Chief of Police David Main" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.

- E-11 Adopted Resolution No. RDA2008-01 of the Lodi Redevelopment Agency and Resolution No. 2008-65 of the City of Lodi to set public hearing for May 28, 2008, to consider the Lodi Community Improvement Project Redevelopment Plan.

NOTE: Joint action of the Lodi City Council and Redevelopment Agency

ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- E-3 "Adopt Resolution Authorizing the Emergency Replacement of Damaged City Hall and Carnegie Forum Air Conditioner Chiller Barrel and Authorizing the City Manager to Execute Purchase Order to Indoor Environmental Services (\$57,325)"

Mayor Pro Tempore Hansen pulled this item for further discussion.

In response to Mayor Pro Tempore Hansen, Public Works Director Sandelin stated the life expectancy of the recommended option is approximately 15 to 20 years of service; although, some changes may be forthcoming due to requirements for retrofitting.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Hansen, Hitchcock second, unanimously adopted Resolution No. 2008-66 authorizing the emergency replacement of damaged City Hall and Carnegie Forum air conditioner chiller barrel and authorizing the City Manager to execute Purchase Order to Indoor Environmental Services in the amount of \$57,325.

- E-10 "Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Chief of Police David Main"

Council Member Hitchcock pulled this item for further discussion.

Council Member Hitchcock stated employment agreements should be placed on the regular calendar and expressed concern that a two-year term of contract is too short to recruit quality candidates from the outside.

Mayor Mounce stated she cannot support the agreement because she is fundamentally opposed to the six-month severance pay clause and she has previously expressed concerns regarding the same when considering other employment agreements.

City Manager King briefly provided an overview of the proposed employment agreement for the Chief of Police and discussed the recruitment process, salary, six-month severance clause, two-year term of the agreement, 10% pay differential, ability to receive up to a 5% increase, consistency with other employment agreements, City vehicle for use, and a one-time uniform allowance.

In response to Council Member Hitchcock, Mr. King stated the request to maintain a 10% pay differential was brought forth by Chief Main, negotiated, and deemed reasonable to include in the proposed agreement.

In response to Mayor Pro Tempore Hansen, Mr. King confirmed a pay differential was also maintained for the Public Works Director position.

Discussion ensued between Council Member Hitchcock, Council Member Johnson, and Mayor Pro Tempore Hansen regarding at-will employees, best recruitment efforts to attract qualified candidates from outside the geographical location, negotiation efforts by individual candidates, and talent retention.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hansen second, adopted Resolution No. 2008-67 ratifying Employment Agreement entered into between City Manager Blair King and Chief of Police David Main. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, and Katzakian

Noes: Council Members – Hitchcock and Mayor Mounce

Absent: Council Members – None

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Jamie Anaforian invited the City Council and the public at large to participate in the American Cancer Society's Relay for Life event on June 7 – 8, 2008, at the Grape Bowl and the pre-event of Paint Our Town Purple on May 1, 2008.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Pro Tempore Hansen reported on his attendance at the One Voice trip in Washington D.C. and specifically discussed the Highway 12 project, debate regarding earmarking, and the expiration of federal transportation dollars in 2009.
- Council Member Johnson commended the Downtown Lodi Business Partnership on its beautification efforts of the downtown area. He also discussed the need for organizational scholarships for youth sports programs, provided an overview of public outreach efforts regarding redevelopment, and stated the General Fund would not be liable for debt incurred by the Agency from a bond issuance in connection with redevelopment.
- Mayor Mounce reported on her attendance at the Lodi Youth Commission meeting and encouraged new applicants, including sophomores and juniors, to apply. She also reported on her attendance at the Lodi Academy's 100th Anniversary event, stated that Lodi had the lowest foreclosure rate in the County, and requested an update on the Cherokee Lane murals.
- Council Member Hitchcock congratulated Blue Shield and Lodi Memorial Hospital on the progress of their respective new developments.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King stated staff has been in contact with PG&E who is responding favorably with respect to the mural and an update will be provided in the near future.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the public hearing to consider the Annual Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department. **NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31**

City Manager King and Public Works Director Sandelin briefly introduced the subject matter of the annual report for sidewalk repairs in the City.

Streets & Drainage Manager George Bradley provided an overview of the staff report as presented with the agenda, stating 2 out of the 15 properties did not comply, for which authorization to place a lien on the property is requested.

In response to Council Member Hitchcock, Mr. Bradley stated the close proximity of the location of the two properties that did not perform is a coincidence.

In response to Council Member Hitchcock, Mr. King stated the recommendation is to prepare a lien to collect the costs after repairing the sidewalk.

In response to Council Member Hitchcock, City Attorney Schwabauer stated there is an alternative of not performing the actual work until the lien is placed if there is a desire to immediately protect the property against sale.

In response to Council Member Hitchcock, Mr. Schwabauer stated a lien cannot be placed automatically to allow for the appeals process, which is consistent with the Streets and Highways Code.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Johnson second, unanimously confirmed the Annual Report for Sidewalk Repairs as submitted and revised by Blue Sheet by the Public Works Department, determined the method of payment, assessed the cost of repairs to the affected properties, and ordered the preparation of a Notice of Lien to be filed with the tax collector.

- I-2 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the public hearing to consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates.

City Manager King briefly introduced the subject matter of adjusting the Consumer Price Index (CPI)-based water and wastewater rates.

Public Works Director Sandelin provided an overview of the affect of the proposed CPI increase for a standard three-bedroom home.

In response to Mayor Mounce, Mr. Sandelin stated he does not have readily available the rates for the SHARE program or other discounted program, but he will provide that information to the Council.

Hearing Opened to the Public

- Barbara Flockhart spoke in opposition to the proposed increase based on her concerns that the increases since 2002 have been significant.
- Bill Crow stated he is opposed to the proposed increase.
- Eunice Friederich spoke in opposition to the proposed increase based on her concerns regarding the rates she is paying for a vacant house.

Public Portion of Hearing Closed

Council Member Johnson stated there is a need to comprehensively look at moving the costs and rates closer together.

Mayor Mounce stated she is not in favor of the proposed increase in light of the lack of information regarding the SHARE and discount programs.

Council Member Hitchcock stated she is in favor of doing smaller incremental increases rather than larger one-time increases.

In response to Mayor Pro Tempore Hansen, Mr. Sandelin stated the information was obtained from the applicable San Francisco-Bay Area Index as published from December 2006 to December 2007, which shows 3.84%.

In response to Council Member Johnson, Mr. Sandelin confirmed that in the specified period of time the CPI went up 3.84% and any SHARE or discount program rates would go up accordingly as well.

In response to Council Member Hitchcock, Mr. Sandelin stated the increase in 2005 was in anticipation of the PCE/TCE litigation.

Mayor Mounce expressed her concern regarding utilizing different CIP indexes.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Hansen second, adopted Resolution No. 2008-68 adjusting CPI-based water and wastewater rates. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, and Katzakian

Noes: Council Members – Johnson and Mayor Mounce

Absent: Council Members – None

J. COMMUNICATIONS

J-1 Claims Filed Against the City of Lodi – None

J-2 The following postings/appointments were made:

a) The City Council, on motion of Mayor Mounce, Hitchcock second, unanimously directed the City Clerk to post for the following vacancies:

Lodi Arts Commission

Petra Gillier

Term to expire July 1, 2009

Karen Mattei

Term to expire July 1, 2011

J-3 Miscellaneous – None

RECESS

At 8:26 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 8:36 p.m.

K. REGULAR CALENDAR

K-1 “Provide Staff Direction Regarding Water and Wastewater Rate Revenue Accounting”

City Manager King provided a brief introduction of the water and wastewater rate revenue accounting and the recommendation based on moving forward from the present time without retroactivity.

Public Works Director Sandelin provided a PowerPoint presentation regarding the infrastructure replacement charges and fund balance. Specific topics of discussion included, but were not limited to, an outline, water services funds, historical background, the problem, the cause, the fix, rate issues, progress, 2001 rate issues, reserves, infrastructure replacement, regulatory and other requirements, operations and maintenance costs, range of revenue requirements, recommendations, and supplemental information.

Discussion ensued between Mayor Pro Tempore Hansen, Council Member Hitchcock, and Mr. Sandelin regarding the previous recommendation from years ago to add 1% per year, which would allow for a 100-year replacement schedule. They also briefly discussed the history of the City's infrastructure since its inception.

In response to Mayor Mounce, Mr. Sandelin stated approximately 20% to 25% of the proposed improvements have been made in the aging part of town.

In response to Council Member Hitchcock, Mr. Sandelin stated that in 2001 the rate was designed to collect approximately \$2.2 million in water and \$1.8 million in wastewater for a total collection of \$4 million. He stated the in-lieu transfers were \$300,000 for water and \$200,000 for wastewater.

Discussion ensued between Council Member Johnson, Council Member Hitchcock, and Mayor Mounce regarding the intent of the City Council for the money to be solely dedicated for infrastructure replacement and the former Public Works Director's understanding that the money was for general infrastructure purposes.

In response to Council Member Katzakian, Mr. Krueger and Mr. Sandelin stated approximately \$2.4 million was spent on infrastructure.

In response to Mayor Mounce, Mr. Krueger confirmed the water and sewer capital numbers reflect infrastructure replacement.

In response to Council Member Hitchcock, Mr. King confirmed that the infrastructure account is being borrowed against to cover operation costs.

Council Member Hitchcock stated she is not comfortable with a redesignation and suggested that staff come back to the Council in the near future with a policy on how to address future operation costs.

In response to Mayor Pro Tempore Hansen, Deputy City Manager Krueger stated the slide is a nine-month into the future projected number and the actual infrastructure number is positive, while the related operations and maintenance numbers are negative.

Discussion ensued between Mayor Pro Tempore Hansen and Mr. Sandelin regarding the possibility of a rate increase for operations and maintenance versus for a new water treatment facility and the consideration of other factors such as regulatory fees and the existing White Slough facility.

Mayor Mounce suggested tabling the matter until staff can return with a reasonable business plan for the same.

In response to Council Member Hitchcock, Mr. Krueger stated about \$850,000 on average per year for the last seven years has been spent on infrastructure.

In response to Ann Cerney, Mr. Schwabauer stated a rate model was prepared that made certain assumptions with respect to the litigation and clean-up efforts and for settlement purposes was fairly accurate. He stated the clean-up costs are ongoing and as a result unknown.

Mayor Mounce suggested bringing back a plan to move forward to address both the infrastructure and operations and maintenance pieces without an increase.

Mayor Pro Tempore Hansen suggested coming up with a plan that provides balance but does not include retroactivity.

Council Member Hitchcock stated she would like more detailed information along with a long-term budget addressing the matter.

Mr. King discussed bringing back a rate model, the public policy to have an infrastructure replacement policy in place, options associated with rate increases, the possibility of performing a rate study, and consideration of the 2008-09 budget regarding the same.

In response to Council Member Katzakian, Mr. King confirmed that there really is no option but to do a rebalancing at this time.

In response to Mayor Pro Tempore Hansen, Mr. King stated detailed analysis showing the deficit amount on an annual basis has not yet been performed.

In response to Mayor Pro Tempore Hansen, Mr. Krueger stated a rate adjustment was done for the Electric Utility, along with the energy cost adjustment, which proved to be sufficient. He stated in water and wastewater there is no such variableness.

In response to Mayor Pro Tempore Hansen, Mr. Krueger stated the deficit may be eliminated in three to four years if the balance of accounts is used without addressing more extensive infrastructure needs.

In response to Council Member Katzakian, Mr. Krueger stated the environmental clean up is separate from the running averages of the current accounts.

Mr. King summarized that currently no changes will be made with respect to accounting, and staff will try to accelerate the work on the revenue rate model and bring the matter back to Council, review how much infrastructure can be accommodated on an annual basis, and review what the actual operations and maintenance costs are. He stated the objective is to find out how infrastructure set aside is necessary and establish an appropriate reserve.

MOTION/ VOTE:

There was no Council action taken on this matter.

- K-2 "Introduce Ordinance Repealing and Reenacting Ordinance No. 964 in its Entirety Regarding a Specific Plan for South Hutchins Street Between West Kettleman Lane and West Harney Lane to Revise the Reverse Frontage Fence Design"

City Manager King briefly introduced the subject matter of replacement of the subject fence corridor.

Public Works Director Sandelin provided an overview of the subject matter. He specifically discussed the grape stake fence design, deterioration of the same, material and supply costs, recommendation to replace with matching slump stone, work to be completed one section at a time, the withstanding of more usage over a period of time, 19 requests for replacement, patchwork approach for a short time period, and replacement of approximately 30,000 feet of grape stake fence at a cost of \$3.5 million.

In response to Council Member Johnson, Mr. Sandelin stated the property owners across from Kofu Park had the choice of either replacing the fence themselves or receiving some City participation for concrete fencing.

Discussion ensued between Council Member Johnson, Council Member Hitchcock, and City Attorney Schwabauer regarding fencing being the responsibility of the property owners and the City in some cases, fencing along Ham Lane, fencing near Kofu Park and sound protection from the skate park, developer fees from new subdivisions for fencing purposes, and future services to be provided by lighting and landscaping districts. Mr. Schwabauer stated in the current instance the City previously accepted fences as public improvements from the developer and took on the responsibility, which is no longer done.

Council Member Johnson requested information regarding the previous discussion with the Lodi Unified School District regarding fence replacement.

In response to Council Members Johnson and Hitchcock, Mr. Schwabauer stated the previous ordinance, which required the grape stake design, can be amended or repealed to require a new type of fencing.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Katzakian second, introduced Ordinance No. 1811 repealing and reenacting Ordinance No. 964 in its entirety regarding a Specific Plan for South Hutchins Street between West Kettleman Lane and West Harney Lane to revise the reverse frontage fence design. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Katzakian, and Mayor Mounce

Noes: Council Members – Johnson

Absent: Council Members – None

- K-3 “Adopt Resolutions Approving State Mandated Rules for Owner Participation, Re-Entry, and Relocation Methods for the Lodi Community Improvement Project”

NOTE: Joint action of the Lodi City Council and Redevelopment Agency

Council Member Hitchcock recused herself from the dais for all purposes on this matter.

City Manager King provided a PowerPoint presentation regarding the adoption of resolutions approving State mandated rules for owner participation, re-entry, and relocation methods for the Lodi Community Improvement Project. Specific topics of discussion included the specific rules as set forth in State law, the lack of eminent domain, Health and Safety Code Section 3339, desire for rehabilitation and improvement of properties, noticing, process of the initial evaluation, and re-entry and relocation examples.

In response to Mayor Mounce, Mr. King stated eminent domain would not be available to the Redevelopment Agency for a public project.

In response to Mayor Mounce, Mr. King stated owner participation assistance would not be available to an owner for rehabilitation until tax increment is collected and budget is formed.

In response to Council Member Johnson, Mr. King stated the seven-year repayment he referred to was an example only and the actual time period can be set as needed with good business principles in mind based on the situation.

Ann Cerney spoke in opposition to the matter based on her concerns regarding affordable housing, the power of eminent domain if there is an amendment to the project at a later date, property owner rights, noticing for owner participation, owners to do improvements themselves and obtain certificate of compliance regarding the same, business permit issuance, and the overall need for strong protection rules for owners and tenants. Mr. Schwabauer stated the rules provide a fair opportunity to participate and would need to be amended with a new and costly redevelopment plan amendment process if there are substantive changes.

In response to Mayor Mounce, Mr. Schwabauer confirmed the referendum process would be available for amendments as well.

In response to Ann Cerney, Mr. Schwabauer and Mr. King stated that, for a significant project change, a supplemental Environmental Impact Report would be required pursuant to Health and Safety Code Section 33352.

MOTION / VOTE (joint action of the City Council and Redevelopment Agency):

The City Council and the Redevelopment Agency of the City of Lodi, on motion of Mayor Pro Tempore Hansen, Katzakian second, unanimously adopted the following resolutions with the addition that notice shall also be provided through the annual budget process:

- Resolution No. RDA2008-02 of the Redevelopment Agency approving rules to aid in the participation of property owners and re-entry preferences for property owners and business tenants in the Lodi Community Improvement Project;

- Resolution No. 2008-69 of the City Council concurring with the Redevelopment Agency's adoption of rules to aid in the participation of property owners and re-entry preferences for property owners and business tenants in the Lodi Community Improvement Project;
- Resolution No. RDA2008-03 of the Redevelopment Agency approving the State of California Relocation Law by reference as the relocation method for the Lodi Community Improvement Project; and
- Resolution No. 2008-70 of the City Council concurring with the approval of the Redevelopment Agency for method of relocation for the Lodi Community Improvement Project.

K-4 "Approve Expenses Incurred by Outside Counsel/Consultants Relative to Various Litigation Cases (\$9,805.79)"

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Mounce second, unanimously approved the expenses incurred by outside counsel/consultants relative to various litigation cases in the amount of \$9,805.79, as detailed below:

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	100351.7323	Water Acct.
11233.026	238199	03/25/08	Lodi First v. City of Lodi	\$ 6,026.29	
11233.029	238199	03/25/08	AT&T v. City of Lodi	\$ 112.50	
11233.030	238199	03/25/08	Water Supply Issues - Not PCE Related		\$ 3,667.00
			Subtotals	\$ 6,138.79	\$ 3,667.00

L. ORDINANCES

L-1 Following reading of the title of Ordinance No. 1810 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Section 2.08.020 Relating to City Council Salaries as Authorized by Government Code Section 36516 (a) (3)," having been introduced at a regular meeting of the Lodi City Council held April 2, 2008, the City Council, on motion of Mayor Pro Tempore Hansen, Katzakian second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Katzakian
 Noes: Council Members – Mayor Mounce
 Absent: Council Members – None
 Abstain: Council Members – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 10:51 p.m.

ATTEST:

Randi Johl
 City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 7, 2008**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of May 7, 2008, was called to order by Mayor Pro Tempore Hansen at 5:48 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Actual Litigation: Government Code §54956.9; Three Applications; John Walker v. City of Lodi; WCAB Case Numbers STK 0156990 – 4/11/2000; STK 0156991 – 1/31/00; and STK 171305 – 4/11/00
- b) Actual Litigation: Government Code §54956.9(a); One Case; Sciarini v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV034596
- c) Actual Litigation: Government Code §54956.9; Calvin Wadlow v. City of Lodi; WCAB Case Number STK0189440– 1/30/2003 and 4/18/2003
- d) Prospective Acquisition of Real Property Located at 232 North Washington Street (APN #043-087-17); 242 Rush Street (APN #043-090-13); and 420 E. Lockeford Street (APN #043-202-29), Lodi, California; the Negotiating Parties are City of Lodi and Union Pacific Railroad Company; Government Code §54956.8
- e) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding Association of Lodi City Employees Regarding General Services and Maintenance & Operators Pursuant to Government Code §54957.6
- f) Actual Litigation: Government Code §54956.9(a); One Case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al., United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM

C-3 ADJOURN TO CLOSED SESSION

At 5:48 p.m., Mayor Pro Tempore Hansen adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:45 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:01 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a), C-2(b), and C-2(c), settlement direction was given.

In regard to Item C-2 (d), negotiating direction was given.

Item C-2 (e) was not discussed.

In regard to Item C-2 (f), settlements were approved in the amounts of \$15,000 for Connie Dewalt Scott and \$50,000 for Judith and Joseph Newfield/United Dry Cleaners.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 7, 2008, was called to order by Mayor Mounce at 7:03 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. INVOCATION

The invocation was given by Ken Owen, Christian Community Concerns.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Mounce.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Police Chief David Main announced that Citizen Service Awards and Certificates of Recognition would be presented to the following individuals (who were unable to attend the meeting) in recognition of their heroism for going above and beyond to help someone in need during an incident at a gas station on Cherokee Lane on April 23, 2007:

David Rivas, Ruth Ann Ruiz-Gomez, Lucia Montour

D-2 (a) Mayor Mounce presented a proclamation to Police Chief David Main proclaiming the month of May 2008 as "Peace Officer Memorial Month" in the City of Lodi.

D-2 (b) Mayor Mounce presented a proclamation to Charlie Swimley, Water Services Manager, proclaiming the week of May 18 – 24, 2008, as "National Public Works Week" in the City of Lodi.

D-2 (c) Mayor Mounce presented a proclamation to Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau (LCVB), and Dale Gillespie, LCVB Board Chair, proclaiming the week of May 10 – 18, 2008, as "National Tourism Week" in the City of Lodi.

D-2 (d) Mayor Mounce presented a proclamation to Jennifer Perrin, Deputy City Clerk, proclaiming the week of May 4 – 10, 2008, as "National Municipal Clerks Week" in the City of Lodi.

Mayor Mounce further presented a proclamation to Mark Chandler, Executive Director of the Lodi-Woodbridge Winegrape Commission, proclaiming the week of May 16 – 18, 2008, as "Zinfandel Month" in the City of Lodi.

D-3 Presentations – None

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Johnson, Katzakian second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

E-1 Claims were approved in the amount of \$6,206,220.35.

E-2 The minutes of April 8, 2008 (Shirtsleeve Session), April 15, 2008 (Shirtsleeve Session), April 22, 2008 (Shirtsleeve Session), and April 29, 2008 (Shirtsleeve Session) were approved as written.

E-3 Approved the specifications and authorized advertisement for bids for a replacement hydraulic underground cable puller.

E-4 Adopted Resolution No. 2008-71 awarding the purchase of a 55' material handling bucket truck to Altec Industries Inc., of Dixon, California, in the amount of \$197,452.95.

E-5 Adopted Resolution No. 2008-72 approving the purchase of bronze "Celebration of the Harvest" sculpture by Rowland Cheney to be located on the corner of School and Oak Streets in Downtown Lodi in the amount of \$153,000.

E-6 Adopted Resolution No. 2008-73 approving the purchase of pergola art piece titled "Better Days" by Jarrod Mays to be located on the corner of Lodi Avenue and Washington Street in the amount of \$86,000.

- E-7 "Adopt Resolution Awarding Contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville (\$83,677), and Appropriating Funds (\$100,400)" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-8 Accepted the improvements for the "Henry Graves Park and Beckman Park Restroom Replacement, 2206 Oxford Way and 1426 West Century Boulevard" contract.
- E-9 Adopted Resolution No. 2008-74 approving Addendum to Improvement Agreement for Interlake Square, Tract No. 3532, to provide one-year time extension and authorizing the City Manager to execute the agreement on behalf of the City.
- E-10 Approved the installation of winery signs by the Lodi-Woodbridge Winegrape Commission in Downtown on City property.
- E-11 "Adopt Resolution Approving Submittal of Grant Documents to Office of Homeland Security for Proposition 1B Transit Security Funds and Authorizing Transportation Manager to Submit All Necessary Paperwork and Reimbursement Requests" was **removed from Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-12 Adopted Resolution No. 2008-75 amending the City of Lodi Drug Free Workplace Policy and Procedure and adopted Resolution No. 2008-76 amending the City of Lodi Drug and Alcohol Testing Policy and Procedure in accordance with the Federal Transit Administration Drug and Alcohol Program audit.
- E-13 Adopted Resolution No. 2008-77 approving salary adjustment for the following classifications in the Public Works – Water Services Division:
- Wastewater Plant Operator I 10% (new salary range: \$3493.73 - \$4246.65)
 - Wastewater Plant Operator II 10% (new salary range: \$3843.20 - \$4671.44)
 - Wastewater Plant Operator III 10% (new salary range: \$4227.53 - \$5138.58)
 - Laboratory Services Supervisor 5% (new salary range: \$4863.55 - \$5911.68)
 - Chief Wastewater Plant Operator 5% (new salary range: \$4863.55 - \$5911.68)
- E-14 Authorized the City Attorney to issue "comfort letter" to Bank of the West in connection with the lease of property at 229 South School Street.

ACTION ON ITEMS REMOVED FROM CONSENT CALENDAR

- E-7 "Adopt Resolution Awarding Contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville (\$83,677), and Appropriating Funds (\$100,400)"

NOTE: Due to a potential conflict of interest with respect to her owning stock in the subject company, Mayor Mounce abstained from discussion and voting on this matter.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Katzakian second, adopted Resolution No. 2008-78 awarding contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville, in the amount of \$83,677, and appropriating funds in the amount of \$100,400. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Katzakian
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Mayor Mounce

- E-11 "Adopt Resolution Approving Submittal of Grant Documents to Office of Homeland Security for Proposition 1B Transit Security Funds and Authorizing Transportation Manager to Submit All Necessary Paperwork and Reimbursement Requests"

This item was pulled by Council Member Johnson for further discussion.

Transportation Manager Tiffani Fink stated the primary piece of the grant is procuring a key card access system that is similar to the one utilized by the Police Department. She stated the current door button system is not as secure because the facility is utilized by many agencies and the key card system would allow the City to monitor access to the facility, generally allow for a higher level of security, and continue to allow access for multiple individuals, including the Partners, into specific areas of the facility.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, unanimously adopted Resolution No. 2008-79 approving submittal of grant documents to Office of Homeland Security for Proposition 1B transit security funds and authorizing the Transportation Manager to submit all necessary paperwork and reimbursement requests.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Barbara Parrish spoke in opposition to any increase in Dial-A-Ride rates based on transportation concerns for the elderly and disabled.
- Jan Alexander, representing "Thrive and Financial for Lutherans for San Joaquin County," stated this month is "Join Hands" month and the Lutheran churches in the area are working on "Project Hope" to help youth as they exit foster care programs. She invited the public and City Council to attend a pack and pizza party on May 8, 2008, for the same.
- David Williamson spoke in opposition to any increase in Dial-A-Ride rates based on transportation concerns for the elderly and disabled.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Pro Tempore Hansen reported on his attendance at the Chamber of Commerce sponsored event pertaining to redevelopment held at Lincoln Technical Academy.
- Mayor Mounce reported on her attendance at the Lodi Youth Commission dance held the weekend prior and commended the organizers for the success of the event.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King invited the public to attend the Open House for the General Plan amendment alternatives on May 10, 2008, at Hutchins Street Square. Mr. King also encouraged individuals interested in paratransit services to speak with Transportation Manager Tiffani Fink with respect to routing options.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the public hearing to consider resolution adopting Engineer's Report, confirming assessments, overruling protests, and declaring assessment ballot results and annexing territory into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1 and forming Luca Place Zone 14, Guild Avenue Industrial Zone 15, and West Kettleman Lane Commercial Zone 16. *NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31.*

City Manager King and Public Works Director Sandelin briefly introduced the subject matter of the proposed assessment for Landscape Maintenance Assessment District 2003-1.

Senior Civil Engineer Sharon Welch provided a brief presentation regarding the history and status of the landscape maintenance district, the proposed annexation, services to be provided and the content of the engineer's report, as outlined in the staff report.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

City Clerk Johl reported that the election results were as follows:

Zone 14

Property owner Costamagna Partners, LP (APN 027-420-09) represents 100% of the total assessment, which equals \$2,936.24. This property owner voted in favor of the assessment.

The assessment for Zone 14 was successful by a 100% majority vote.

Zone 15

Property owner Vernon J. & Jenise M. Vierra, TR (APN 049-340-38) represent 9.08% of the total assessment, which equals \$42.34. This property owner voted in favor of the assessment.

Property owner Gregory H. & Deidra Carpenter (APN 049-330-11) represent 28.27% of the total assessment, which equals \$131.78. This property owner voted in favor of the assessment.

Property owner Richard H. Kulka (APNs 049-330-04 and 049-330-10) represents 62.65% of the total assessment, which equals \$292.10. This property owner voted in favor of the assessment.

The assessment for Zone 15 was successful by a 100% majority vote.

Zone 16

Property owner R. Thomas Development, Inc. et al. (APN 031-330-10) represents 34.73% of the total assessment, which equals \$91.98. This property owner voted in favor of the assessment.

Property owner Eagle Credit Union (APN 049-340-12) represents 65.27% of the total assessment, which equals \$172.86. This property voted in opposition to the assessment.

The assessment for Zone 16 was not carried as it only received a 34.73% majority vote.

MOTION #1 / VOTE:

The City Council, on motion of Council Member Johnson, Hitchcock second, unanimously adopted Resolution No. 2008-81 adopting Engineer's Report, confirming assessments, overruling protests, and declaring assessment ballot results and annexing territory into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1 and forming Luca Place Zone 14 and Guild Avenue Industrial Zone 15.

MOTION #2 / VOTE:

The City Council, on motion of Council Member Hitchcock, Mounce second, unanimously continued the subject public hearing to May 21, 2008, to consider forming West Kettleman Lane Commercial Zone 16.

J. COMMUNICATIONS

J-1 Claims Filed Against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Pro Tempore Hansen, Hitchcock second, unanimously made the following appointment:

Lodi Budget/Finance Committee

Keith Vargem Term to expire June 30, 2009

J-3 Miscellaneous – None

K. REGULAR CALENDAR

K-1 “Adopt Resolution Approving the Loan Request of Walker-Roderick Properties LLC, Pat Walker and Jack Roderick, Guarantors, Through the Community Development Block Grant Funded Revolving Loan Fund Program as Recommended by the City Manager”

Community Improvement Manager Joseph Wood provided a PowerPoint presentation regarding the Revolving Loan Fund (RLF) program. Specific topics of discussion included the RLF program development, program elements, review of the process, and the current loan request. Additionally, he discussed Community Development Block Grant (CDBG) funding, loan format, criteria for job creation, loan terms, interest rate, collateral, eligible uses, application review, program operator review, Loan Advisory Committee, City Manager review, loan documents and closing, loan servicing and monitoring, Walker-Roderick Properties, coin-operated laundromat, proposed use of funds, sufficient experience and financial characteristics, and the recommended action regarding the same.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the purpose of the program is to continue to put funds back into the program to allow for greater assistance, the creation of jobs, and provide benefit to low- and moderate-income residents in the area.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated that, if the conditions of the loan are not met, including specified job creation, the City has the option of calling the loan as due.

In response to Council Member Hitchcock and Mayor Pro Tempore Hansen, Mr. Wood confirmed that the Committee did discuss the applicant's ability to create jobs and made its recommendation on the belief that there would be job creation.

In response to Council Member Hitchcock, Wendell Youngsma, RLF program director for San Joaquin County, stated the \$1,500 amount is for two employees and the \$3,000 amount is for four employees. Jack Roderick, the applicant, stated the numbers are soft projections based on surveys of the community and other laundromats in the area and the proposed business can run four full-time employees.

In response to Council Member Hitchcock, Mr. King stated the applicant can supply new numbers, which can be run through the Committee again or put certain conditions regarding the number of employees on the loan.

In response to Mayor Pro Tempore Hansen, Applicant Pat Walker stated there will be approximately 22 washers and 20 dryers, a full-time attendant will be present in addition to the owners at the start of the business, and there will be additional employees at a later date. There was also a brief discussion regarding self-laundering versus sending laundry out to be cleaned and competition with similar businesses.

In response to Council Member Johnson, Mr. Walker stated all the laundromats surveyed have attendants for maintenance and protection purposes. Mr. King stated the Committee did review the entrepreneurial business sense of the applicants.

In response to Council Member Johnson, Mr. Wood stated security behind the loan, which the program director believes to be reasonable, includes the equipment valued at \$80,000 and a third deed of trust valued at \$60,000.

Council Member Hitchcock stated she cannot support the recommendation of \$140,000 for the addition of two people, but will support half the loan amount at \$70,000, unless the applicant would like to resubmit projections for four employees.

In response to Council Member Katzakian, Mr. Wood confirmed that the loan being requested is \$140,000 of the proposed \$257,000 and the direction is clear with respect to prevailing wages.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the Committee includes two local banking officials and a business owner. Mr. Wood also stated a Pacific State Bank representative sits on the County Committee and, although he requested additional information, he had no qualms about recommending the loan for the applicants after review of the same.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the Department of Housing and Urban Development (HUD) allows the City to establish guidelines with respect to the time period for conditions and a 12-month period would be reasonable pursuant to the same.

Discussion ensued between Mayor Pro Tempore Hansen, Mayor Mounce, and Mr. Wood regarding the requirements for minimum wage, the 875 hour requirement for permanent part-time, two full-time employees as equivalent, and 32 hours being considered a full-time employee.

In response to Mayor Pro Tempore Hansen, Mr. Wood confirmed that the Committee was presented with the same information regarding job creation and recommended approval.

In response to Mayor Pro Tempore Hansen, Mr. King stated the City can use either the State CDBG guidelines or the federal HUD guidelines.

In response to Mayor Pro Tempore Hansen, Mr. Youngsma stated the application is as about as good as it gets, the linen workers are both commercial and residential, and the values are covered under additional collateral and personal guaranties of the borrowers if the corporation cannot pay.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, adopted Resolution No. 2008-80 approving the loan request of Walker-Roderick Properties LLC, Pat Walker and Jack Roderick, Guarantors, through the Community Development Block Grant funded Revolving Loan Fund Program as recommended by the City Manager. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Katzakian, and Mayor Mounce

Noes: Council Members – Hitchcock

Absent: Council Members – None

RECESS

At 8:46 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 8:57 p.m.

K. REGULAR CALENDAR (Continued)

K-2 "Approve Business Points for Solid Waste Franchise Renewal"

Public Works Director Sandelin provided a PowerPoint presentation regarding the solid waste franchise renewal business points. Specific topics of discussion included background, negotiation goals, draft business points, solid waste, green waste, recycling, hazardous waste, billing service, street cleaning, trash collection and leaf pick-up service, annual collection rate adjustments, renewal terms, technical ordinance revisions, compactor rates, level of service, annual financial impact and savings, rate impacts, and summary of business points.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that a meeting with the employees generated the awareness that employees did not want a change in service and they wanted to keep providing the service for a variety of reasons.

In response to Mayor Pro Tempore Hansen, Mr. Sandelin stated that some of the difference in service in the downtown area and cans at the bus stops may have been due to the \$500,000 reduction in the streets budget a few years ago. Mr. King stated the net result increase of \$500,000 in the franchise fee may be used for clean-up efforts in the downtown area and may be directed to fund positions in the street division, which may allow for greater service to the downtown as well. A brief discussion ensued between Mayor Pro Tempore Hansen and Mr. Sandelin regarding a previous waste services subcontract for the downtown.

In response to Mayor Pro Tempore Hansen, Mr. King and Mr. Sandelin confirmed that approximately \$70,000 will go to the parks side.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that the current franchise fee of 4.8% is changing to 10.8%. Mr. King stated staff is recommending approval of the general business points and specific fees and rates are yet to be negotiated. Discussion ensued between Council Member Hitchcock and Mr. Sandelin regarding how the franchise fee compares to other communities, how such fees are calculated, and the fees in Stockton, Tracy, Galt, Davis, Modesto, and Manteca.

In response to Mayor Pro Tempore Hansen, Mr. King stated the proposed agreement will allow for safeguards for the franchise fee such as extra costs associated with fuel. He stated they are not giving up a year of the agreement because the term of the next proposed agreement would be eight years.

Mark Ruggiero spoke in favor of the proposed business points and staff recommendation, stating the employees support the same.

Thom Sanchez spoke in favor of the proposed business points and staff recommendation, stating he supported a long-term agreement, franchise fees generally average between eight and ten percent, and the City would receive a payment minus the franchise fee, which is how the amounts are kept separated.

Discussion ensued between Council Member Hitchcock and Thom Sanchez regarding service for the city of Stockton, 4.8% as being all inclusive, comparisons in rate increases in the City and other communities, differences in service, and an overview of rates and fees in other cities serviced by Waste Management.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that staff researched and studied information from other communities on its own in addition to looking at the information supplied by Waste Management.

Mr. King clarified that the franchise fee is not a part of the rate increase.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, unanimously approved the following Business Points for solid waste franchise renewal:

1. Street sweeping – Central Valley Waste Services (CVWS) will pay to the City \$470,000 annually as reimbursement of costs associated with street sweeping, leaf pickup, downtown cleaning and bus stop trash collection. The amount of the payment will annually increase by 80 percent of the change in the Consumer Price Index (CPI). CVWS will waive the tipping fees charged for dumping the street cleanings and fall leaves, a value of approximately \$50,000.
2. Parks trash collection – CVWS will pay to the City \$71,500 annually as reimbursement of costs associated with trash collection at City parks. The amount of the reimbursement will annually increase by 80 percent of the change in the CPI.
3. City service – CVWS will service the trash containers/bins at City facilities, including parks, at no charge to the City, a value of approximately \$70,000.
4. Billing service – CVWS will continue to reimburse the City for a share of billing expenses, and the amount will annually increase by 80 percent of the change in the annual CPI. For the past several years, the amount has been fixed.
5. Hazardous waste – CVWS will host quarterly electronic/universal waste and annual household hazardous waste collection events at its Turner Road facility or other Lodi location.
6. Annual rate adjustments – will be 80 percent of the change in the annual CPI.
7. Renewal term – is another eight years with one CVWS option to renew for an additional seven years. Staff recommends that the new term start January 1, 2009.
8. Technical ordinance revisions – CVWS has asked for clarification of some definitions of service classes.
9. Compactor rates – CVWS has asked for a new rate for servicing certain types of large trash compactors that are labor intensive.

K-3 “City Council Participation in Review of Applicants for Community Development Director”

MOTION / VOTE:

The City Council, on motion of Mayor Mounce, Hansen second, unanimously selected Council Members Johnson and Hitchcock to participate in the review of applicants for Community Development Director.

RECESS

At 9:37 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 9:43 p.m.

K. REGULAR CALENDAR (Continued)

K-4 “Review of the 2008-09 Draft Budget”

City Manager King provided a PowerPoint presentation regarding the Fiscal Year 2008-09 proposed budget. Specific topics of discussion included important considerations for the General Fund, Triple Flip and sales tax revenues, and a review of individual departmental budget presentations, as set forth in the presentation documentation, including the summary sheet, current year accomplishments, and future year goals.

In response to Council Member Hitchcock, Mr. Krueger stated the 9.8 figure includes both in-lieu sales tax and general sales and use tax and there is a projection of a \$250,000 increase in overall sales tax.

In response to Mayor Mounce, Mr. Wood stated the provisions for code enforcement were adopted and enacted, including the provisions with respect to administration of citation and non-compliance fees. Mayor Mounce requested additional information regarding revenues for code enforcement fees.

In response to Council Member Hitchcock, Mr. King stated an agreement has not yet been reached with respect to the Lodi Unified School District and the after school program. Interim Parks and Recreation Director Steve Dutra stated technically there are two programs for the ACES/Bridges program. Discussion ensued regarding the possible reduction of the City staff and increase of the school district staff. Mr. Krueger stated the estimate for the after school programs is on page 51; although, there is no agreement as of the current date.

Fire Department

In response to Council Member Hitchcock, Fire Chief Pretz stated the \$49,000 line item on page 26 refers to plan check and related fees, which were since transferred to Community Development.

In response to Council Member Hitchcock, Mr. Krueger confirmed that some fees for some projects were reduced throughout the year and the \$380,000 amount on page 27 refers to larger project fees such as Delta College and possible reimbursement fees.

In response to Council Member Hitchcock, Chief Pretz and Mr. Krueger stated the outside services line item on page 27 includes properties services provided outside of the City limits and includes the Flag City signing bonus.

In response to Council Member Hitchcock, Mr. Krueger confirmed the PL/PD line item reduction refers to the self-insurance.

Discussion ensued between Council Member Hitchcock and Chief Pretz regarding approximately \$261,000 in overtime savings, \$80,000 reduction in training, the remainder based on unanticipated leaves including sick leave and injury leave, average of one firefighter per year on injury leave, the effect of sick leave on the overtime budget, issue regarding the lack of full staffing, the loss of firefighter applicants in the academy, division chief position being left open and the reasonableness of the proposed savings.

In response to Mayor Pro Tempore Hansen, Chief Pretz stated there are 64 positions authorized, 8 candidates were sent to the academy, 1 candidate has dropped out leaving 7, and assuming there are no more drop outs the 7 will complete the academy in approximately seven weeks. He stated the entire training process including the academy takes approximately 12 months.

In response to Mayor Pro Tempore Hansen, Chief Pretz stated new hires should have an impact on the overtime in the mid-year budget.

In response to Council Member Johnson, Chief Pretz stated generally the new hires are rookies or have some training that is not complete. A brief discussion ensued regarding lateral transfers and the cost of the academy. Mr. King confirmed that the overall Fire Department is increasing.

In response to Council Member Hitchcock, Mr. Krueger stated staff will provide the information pertaining to how the Memorandum of Understanding increases affect the budget as requested.

Mr. King reviewed the employment position changes in the various departments as listed on page 7, including those associated with the Community Center, Community Development, Electric Utility, Finance, Police, Fire, Code Enforcement, Public Works, Library, Parks and Recreation, and the Streets Division.

In response to Mayor Mounce, Mr. Krueger confirmed that the transit fund budget already incorporated the transfer of the Transit Planner position.

In response to Council Member Hitchcock, Human Resources Manager Dean Gualco stated that, with respect to the transferring of positions and how it is connected to the bargaining groups, the City has certain management rights to get tasks completed and also has meet and confer obligations in some cases to discussion items such as wages, salary, and working conditions. Mr. Gualco also discussed assessing the effect of any transfer versus whether it can be done, the need to report and recruit in some cases but not all, and the application of the personnel rules regarding the same.

In response to Mayor Mounce, Mr. Gualco stated a lot of time is being invested with employees and the bargaining groups and staff is both optimistic and realistic with respect to the same.

In response to Council Member Hitchcock, Mr. King stated frozen positions for the 2006 budget were eliminated and the 2007 budget reflects the new frozen positions. He stated the direction was interpreted as a one-year piece rather than policy because of the number of positions that were in question. Mr. King stated on page 373 the non-departmental personnel services line item reduction of \$739,000 is representative of employee turnover, which accounts for employees who leave the organization for a variety of reasons, and this factor is averaged based on previous year turnovers.

In response to Council Member Hitchcock, Mr. King confirmed that the reduction is shown as non-departmental. Mr. Krueger stated the projection is based on statistics from previous years.

Council Member Hitchcock requested quarterly updates on the budget since the budget itself is so tight.

In response to Mayor Pro Tempore Hansen, Mr. King stated the mid-year budget review will be important to audit to ensure the budget with respect to personnel savings is on track.

Police Department

Police Chief Main provided an overview of the budget summary for the Police Department, the 2007-08 year accomplishments, and 2008-09 goals. Chief Main clarified that the dispatcher/jailer position that is left open is for future crime analysis purposes. He stated all dispatch positions for fire services will be covered.

In response to Council Member Johnson, Chief Main stated three dispatchers will work in crime prevention, court services, and communications. Discussion ensued between Council Member Johnson, Chief Main, and Mr. Krueger regarding the need for additional dispatchers to handle calls and a figure of \$60,000.

Discussion ensued between Council Member Hitchcock, Chief Main, and Mr. Krueger regarding the line 7302 reduction on page 55 for the lease program that was less expensive, the change on page 55 regarding the sublet service contract increase due to 911 data contract increases, the change on page 56 for special payments regarding debt service allocation for \$759,000, the change on page 58 for insurance refund from dual coverage, the change on page 65 regarding a regular employee salary increase, and the reduction associated with the code enforcement contract employee position.

Discussion ensued between Mayor Pro Tempore Hansen, Mayor Mounce, Chief Main, and Mr. King regarding pursuing an aggressive spay and neuter program, the application of Community Development Block Grant (CDBG) funding for the same, recommendations from the Task Force for a spay and neuter program, possible adjustments between \$10,000 and \$13,000 from CDBG funding, mid-year budget application, and earmarking undesignated funds.

City Attorney Schwabauer confirmed that the Council provided general direction with respect to animal shelter improvements in relation to CDBG funding options.

MOTION / VOTE:

There was no Council action taken on this matter.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Hitchcock, Katzakian second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

- K-5 "Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$114,453.58)"

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program Litigation in the amount of \$114,453.58, as detailed below:

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Water Acct. Amount
8002	107776	Feb-08	City v. M&P Investments	\$ 11,073.69
	133694	Mar-08	Hemming Morse, Inc.	\$ 4,656.00
8003	107919	Mar-08	Hartford v. City of Lodi	\$ 454.23
8008	107775	Mar-08	City of Lodi v. Envision	\$ 95,981.43
Total				\$112,165.35

MISCELLANEOUS

Invoice No.	Date	Description	Water Acct. Amount
885901	3/8/2008	Harry A. Cannon, Inc. re: City v. Donovan	\$ 2,288.23
Total			\$ 2,288.23

L. ORDINANCES

- L-1 Following reading of the title of Ordinance No. 1811 entitled, "An Uncodified Ordinance of the City Council of the City of Lodi Repealing and Reenacting Ordinance 964 in its Entirety Setting Forth a Specific Plan for South Hutchins Street between West Kettleman Lane and West Harney Lane," having been introduced at a regular meeting of the Lodi City Council held April 16, 2008, the City Council, on motion of Mayor Mounce, Hansen second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and
Mayor Mounce

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:26 p.m.

ATTEST:

Randi Johl
City Clerk

**CITY OF LODI
SPECIAL JOINT INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MAY 20, 2008**

A Special Joint Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council and the Lodi Budget/Finance Committee was held Tuesday, May 20, 2008, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Hansen, Johnson, Katzakian, and Mayor Mounce
Absent: Council Members – None
Present: Lodi Budget/Finance Committee Members – Kirsten, Russell, Vargem, and
Chairperson Johnson
Absent: Lodi Budget/Finance Committee Members – Domingo, Harris-Wall, Roberts
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Review of the 2008-09 Draft Budget"

City Manager King briefly introduced the subject matter of the joint meeting between the Lodi Budget/Finance Committee.

Deputy City Manager Krueger reviewed the 2007-08 budget recommendations regarding the energy cost adjustment, Parks & Recreation/Hutchins Square organizational review, Code Enforcement consolidation, financial system, mobile home rates, cable franchise fees, fleet replacement policies, economic development, Community Redevelopment Agency, capital improvements, and deferred maintenance study. He also provided an overview of the current year recommendations including not funding San Joaquin Partnership, Downtown Lodi Business Partnership (DLBP), Parade of Lights, and grants for arts. The Committee did recommend funding an economic development coordinator position and funding the fireworks and 4th of July event with recovery of costs. He also discussed sub-committees to review public safety overtime, skate park, and impact mitigation fees.

In response to Council Member Johnson, Mr. Krueger stated the recommendation is that the sub-committees be formed through the Lodi Budget/Finance Committee, not the City Council. Committee Chair John Johnson stated the recommendation with respect to the Lodi Conference and Visitors' Bureau was based on a discussion with Nancy Beckman with respect to future transient occupancy tax (TOT) application and percentages that may apply.

In response to Mayor Mounce, Mr. Johnson stated the Committee's recommendation is for the City Manager and City Council to work on the TOT percentages. Mr. Krueger stated the Committee may be able to provide some assistance with the same.

In response to Mayor Pro Tempore Hansen, Mr. Johnson stated that, based on a balanced budget, the Committee decided to recommend not funding the San Joaquin Partnership and DLBP and in exchange funding the economic development coordinator position to get the most for the City's dollars. A brief discussion ensued between Council Member Johnson, Mayor Pro Tempore Hansen, and Mr. Johnson regarding whether an economic development coordinator or the Partnership is better suited to represent Lodi.

In response to Council Member Johnson, Mr. King stated there are both arguments in favor of and against funding the San Joaquin Partnership. He stated the arguments against include the organization is heavily favored with the city of Stockton and other communities and less so with Lodi, intra-County relocations, and job creation that is focused on logistics and warehousing, which generally tend to be fewer jobs in larger areas. He stated the arguments in favor include job creation for the entire county, the organization working with cities, and commitment with respect to the Enterprise Zone. Mr. King stated he did not

believe it was the right time to fill an economic development coordinator position in light of budget concerns.

In response to Council Member Hitchcock, City Attorney Schwabauer stated impact fees can be used to expand or create new facilities so long as the growth drives the need for such expansion and creation.

Mayor Mounce stated she would not be opposed to looking at options to make the DLBP more self-reliant at mid-year review or next year so long as there is ample notice given in conjunction with the fiscal year of the DLBP.

In response to Council Member Johnson, Mr. Johnson stated the Committee did not discuss the possible linkage of the DLBP to the Chamber of Commerce.

In response to Mayor Pro Tempore Hansen, Mr. Johnson stated he believes the Committee had a reasonable amount of time to bring forth and consider its recommendations with respect to the economic development coordinator position.

In response to Mayor Pro Tempore Hansen, Mr. King stated economic development is an ongoing process and not a fiscal year based activity. He stated the position may be reviewed after the proper set of tools, such as redevelopment and Enterprise Zone, are in place.

Committee Member Dave Kirsten stated his big concern was public safety overtime and related salaries and provided a brief overview of similar concerns shared in other communities, including Palo Alto and Los Angeles.

In response to Council Member Johnson, Mr. Kirsten stated that, while the Committee may not have the science and/or technical expertise to do an in-depth analysis of the public safety overtime issue, the sub-committee would be able to reasonably work with members of public safety who can provide such information. He stated it may be that nothing can be done. Mayor Mounce suggested speaking with the firefighters directly. Mr. Johnson stated that, in light of the Committee's meeting schedule, the sub-committee should begin to take a look at the public safety overtime issue as soon as feasible.

Mayor Mounce suggested the sub-committee also provide information regarding hiring a fully loaded employee and the use of overtime with respect to when it is more economically feasible to hire a full-time employee versus paying overtime.

In response to Council Member Johnson, Mr. Johnson stated the items that did not make the list because they died on motions that lacked a second included the recreation supervisor position, the JDE program, 1% general fund set side for deferred maintenance, and outsourcing fire services. Mr. Johnson also suggested making the arts a self-sufficient program that does not require City subsidy.

Mayor Mounce stated a special meeting may be held next Tuesday morning, May 27, for budget purposes if the budget is not adopted on Wednesday, May 21.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:15 a.m.

ATTEST:

Randi Johl, City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MAY 27, 2008**

The May 27, 2008, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SPECIAL JOINT CITY COUNCIL MEETING
WITH THE REDEVELOPMENT AGENCY OF THE CITY OF LODI
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 28, 2008**

A. CALL TO ORDER / ROLL CALL

The Special Joint City Council meeting with the Redevelopment Agency of the City of Lodi of May 28, 2008, was called to order by Mayor Mounce at 7:02 p.m.

Present: Council Members/Redevelopment Agency Members – Hansen, Johnson, Katzakian,
and Mayor/Chairperson Mounce

Absent: Council Members/Redevelopment Agency Members – Hitchcock

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. PUBLIC HEARINGS

B-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the joint public hearing of the City Council and the Redevelopment Agency of the City of Lodi to consider a resolution certifying the adequacy of the Final Program Environmental Impact Report for the Lodi Community Improvement Project; a resolution finding that the use of taxes allocated from the Lodi Community Improvement Project for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing outside the Project Area will be of benefit to the Project; and consideration by the City Council of the introduction of an ordinance adopting the proposed Redevelopment Plan for the Lodi Community Improvement Project. *NOTE: Joint action of the Lodi City Council and Redevelopment Agency.*

City Manager King briefly introduced the subject matter of the Final Program Environmental Impact Report for the Lodi Community Improvement Project and proposed Redevelopment Plan for the Lodi Community Improvement Project.

City Attorney Schwabauer stated a conflict of interest analysis was completed pursuant to the Political Reform Act and Fair Political Practices Commission regulations. He stated it was determined that Council Member Hitchcock had a conflict that prevented her from participating based on the ownership of real property in the proposed Project Area.

Mr. King provided a PowerPoint presentation regarding the Lodi Community Improvement Project. Specific topics of discussion included the process of the public hearing, recommendation, proposed Project Area, financial projections, reason for proposed project, overview of provisions in proposed plan, funding source, public outreach efforts, addressing community concerns, and the consultants participating in the same.

Ernie Glover of GRC Redevelopment Consultants provided an overview of the redevelopment process. He specifically discussed qualifications of the firm, redevelopment process in other communities, the non-use of eminent domain, blight designation and the related process, compatible and incompatible uses for future uses of property, home values, hazardous waste and clean-up efforts, crime statistics in the eastern portion of City, funding source for services such as public safety, small business loans and lending options, and possible tax increment application.

Don Frasier of Frasier and Associates provided an overview of tax increment projections. He specifically discussed his firm's qualifications, receipt of greater share of future property tax amounts, local application of future tax increment, payment of property taxes and Proposition 13 application remaining the same, example of when a home is sold how future property tax share is greater for the Redevelopment Agency, revenue projections of approximately 4% per year based on 2% of property tax increase and 2% property changeover, possible \$600 million over next 40 years on present value, additional funding for taxing authorities and school district, consultations with school district, Delta College, San Joaquin County, and the water district, and no opposition from taxing agencies.

In response to Mayor Mounce, City Attorney Schwabauer stated the ordinance will not pass tonight as it must be voted on at a regular meeting. Mr. Schwabauer stated he is hesitant to give legal advice regarding a referendum because, if he gives advice to an individual who is going to circulate a referendum and he is wrong, it places the City in a bad position. Mr. Schwabauer stated that, in providing a response to a Council Member directly, he will state that a referendum generally includes that an ordinance may be subject to a referendum, a standard percentage of signatures is usually 10% based on the last election, specific language indicating what a yes and no vote means, circulation to obtain signatures with the ordinance and proposed language, verification through the City Clerk and Registrar of Voters, ballot placement requirements, preparation of title and summary, and a fiscal analysis. City Clerk Johl stated she concurs with the City Attorney and there are no additional requirements other than those set forth in the Election Code and as indicated by the City Attorney.

Hearing Opened to the Public

- Robert Emmer, representing the Library Board of Trustees, spoke in favor of the proposed Lodi Community Improvement Project based on possible benefits to the Library through improvements to the same.
- Nick Santoya spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding indebtedness and ballot placement for voter approval.
- Jerold Kyle spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding indebtedness.
- Ken Bingamaxl spoke in favor of the proposed Lodi Community Improvement Project based on the possible benefit to the proposed development area, including improvements to schools and downtown businesses.
- Phyllis Roach spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding indebtedness, errors on the current map of the proposed area in comparison to the original map, and housing.
- Constance Zweifel spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding blight designation and ballot placement for voter approval on ballot.
- Eunice Friederich spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding indebtedness and double dipping for utilities.
- Pat Patrick, representing the Chamber of Commerce as Chief Executive Officer and the Loel Foundation as a Board of Directors member, spoke in favor of the proposed Lodi Community Improvement Project based on possible benefits to businesses, job creation, reduction of crime in the Project Area, improvements to infrastructure, increased property values from redevelopment, and overall benefits to seniors in the community including housing options.
- Barbara Flockhart spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding indebtedness, the lack of voter approval, and the length of possible debt of 40 years.
- John Talbot spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding blight designation and diversion of funding from the County.
- Georgianna Reichelt spoke in opposition to the proposed Lodi Community Improvement Project based on concerns regarding the lack of voter approval through the ballot process, examples of redevelopment in San Diego, funding lost to schools, use of eminent domain, and the need for businesses to take care of their own properties.

- Dale Gillespie, representing himself as a developer and the Loel Foundation as a Board of Directors member, spoke in favor of the proposed Lodi Community Improvement Project based on benefits for senior housing, general affordable housing options, and the City's long history of not using eminent domain that will likely remain the same.
- Nancy Beckman, representing the Lodi Conference and Visitors' Bureau (LCVB), spoke in favor of the proposed Lodi Community Improvement Project based on possible improvements on Cherokee Lane that could be made through redevelopment, which will help keep tourists in the City for lodging purposes.
- Ed Atwood spoke in neutrality to the proposed Lodi Community Improvement Project, stating individuals moving in a blighted area should be screened. He also asked specific questions regarding a parcel of land left outside of the proposed area and the use of redevelopment funds for new structures as well as rehabilitating old ones.
- Chuck Easterling of the Downtown Lodi Business Partnership spoke in favor of the proposed Lodi Community Improvement Project based on the benefits to the community and the removal of eminent domain.
- Beth Kim, representing herself as a developer of the Comfort Suites and a member of LCVB, spoke in favor of the proposed Lodi Community Improvement Project based on possible benefits to the Cherokee Lane area.
- Steve Spiegel, as a property owner along Lockeford Street and the railroad, spoke in favor of the proposed Lodi Community Improvement Project based on possible improvements to the proposed Project Area.

Public Portion of Hearing Closed

In response to Mayor Mounce, Mr. King stated the City does not currently have an ability to build a Wal-Mart in the middle of the east side of the City as indicated by a speaker due to an ordinance that prohibits the use of eminent domain for private purpose. He stated an agency does have the power to acquire through just compensation to the owner land for a public purpose, which may include infrastructure improvements or rights of way. He also generally discussed the process associated with the same including the need for a resolution of necessity, purchase amount held in escrow, a court determining value of property and just compensation, and when a seller may wish to go through such a process.

In response to Mayor Mounce, Mr. King discussed ordinance adoption at a regularly scheduled meeting, the prohibition against using eminent domain for a private purpose, and approximately 30% of redevelopment agencies in the state not having eminent domain in the beginning and not adding at a later date. He also stated that, if eminent domain was ever considered at a later date, the process would need to be redone, including ordinance introduction and adoption, formation of Project Area committees, amendments to the plan and environmental documentation, timelines associated with the same, property identification, and the whole process would be subject to a referendum.

RECESS

At 8:41 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 8:52 p.m.

B. PUBLIC HEARINGS (Continued)

B-1 Mr. King stated redevelopment law is very specific as to how comments, in writing or (Cont'd.) orally, are responded to. He stated the comments were received and written responses will be made prior to the proposed June 18, 2008, date for the regularly scheduled meeting of the City Council where this topic will be considered.

In response to Mayor Mounce, Mr. King stated that, with respect to Mr. Atwood's comments generally, the City Council designated a Study Area approved by the Planning Commission, all parcels were reviewed, vacant parcels generally work against the 80% urbanization requirement, there may be an active agricultural use on the subject property, and redevelopment funds can be used for new infrastructure and construction, although it must be consistent with the General Plan as well.

In response to Mayor Pro Tempore Hansen, Mr. King stated future City Councils will have the ability to make decisions on individual projects as they come before them.

In response to Mayor Pro Tempore Hansen, Mr. King provided an overview of the City Council's consideration of an initial report in November 2007 of what a redevelopment project may look like, the Project Area is preliminary until such time as it is adopted, while the process is fairly narrow the legislative discretion of the Council is broad, an area cannot be added to but can be deleted from, and the Planning Commission determines what the area is and if it is consistent with the General Plan. He stated the Planning Commission went through the process and made the recommendation as is currently presented to the City Council.

In response to Council Member Johnson, Mr. King confirmed the only action recommended for tonight is the transmittal of the report from the Agency to the City Council.

Mayor Mounce stated she will not support the recommendation based on her concerns regarding long-term improvements to the east side of town, free enterprise, growth of government, indebtedness, and an option to vote on the ballot.

Mayor Pro Tempore Hansen stated he will support the recommendation based on the ability to use redevelopment as a tool to address long-term infrastructure projects and the need to bring in additional dollars to the community.

Council Member Johnson stated he will support the recommendation based on the ability to address improvements in the east side of town.

Mr. King stated staff will respond to comments pursuant to the law and agendize the matter for the June 18, 2008, regular City Council meeting.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Katzakian second, authorized the transmittal of the report from the Agency to the City Council pursuant to law. The motion carried by the following vote:

Ayes: Council Members – Johnson, Katzakian, and Hansen

Noes: Council Members – Mayor Mounce

Absent: Council Members – None

Abstain: Council Members – Hitchcock

C. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:23 p.m.

ATTEST:

Randi Johl
City Clerk